

Discussion of Major Issues Raised by Testimony at Public Forum and by Written Comments

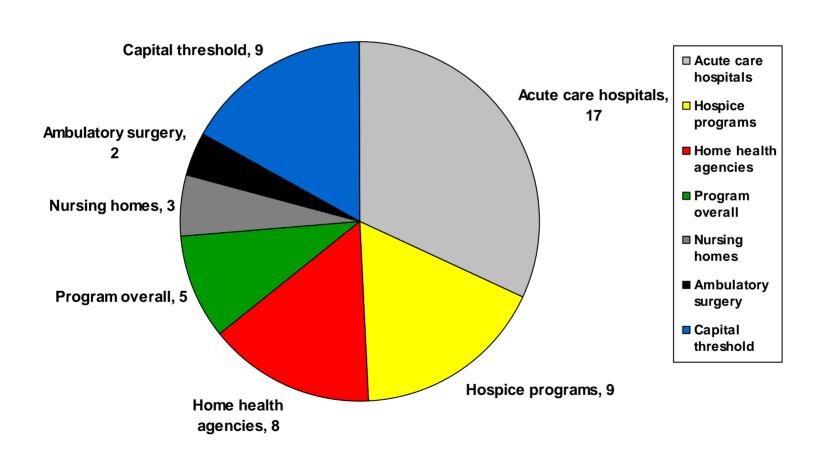


Certificate of Need Task Force

June 23, 2005



Public Forum Overview: Number of Comments by Health Care Service





Overview of Comments: Major Issue Areas

Coverage

- Retain Unchanged (9)
- Retain Certificate of Need, but Change Coverage (19)
- Deregulate Some/All Services or Actions (14)

Procedures

- Re-focus Completeness Review (10)
- Simplify or Expedite Review Process (10)
- Change Capital Review Threshold (8)

The State Health Plan

- Update Standards (16)
- Adopt Licensure Formula as Bed Need (5)
- Monitoring/Enforcing Compliance Certificate of Need Authority (3)



Certificate of Need Coverage: Highlights of Comments on Services at Acute Care Hospitals

- Remove CON Coverage
 - Obstetric Services
 - Highly Specialized Services (substitute licensure)
- Add CON Coverage
 - Emergency Department Services
 - Cardiac Catheterization Laboratories
- Raise the Capital Threshold to At Least \$7.5 Million
 - Most individual hospital commenters advocated a \$10 million threshold
- Expand the CON Business Office Equipment Exemption To Include Health Information Technology/Medical Information Systems
 - Statute is clear about "office equipment not directly related to patient care" and "expenditures for major medical equipment" but <u>not</u> about information systems at bedside, and directly related to patient care.



Certificate of Need Coverage: Highlights of Comments on Long Term Care Services

- Hospice programs: 6 favor of maintaining strong Certificate of Need, 3 for deregulation.
- Home health agencies (HHAs): 3 favor no change to Certificate of Need, 2 see no consensus among agencies on Certificate of Need coverage but favor stronger enforcement of regulatory authority by more frequent "surveys"**; 2 favor deregulation.
- Nursing homes: closing a facility should not require CON review or should be part of comprehensive review of CON project to relocate, re-use nursing home beds.
- Increase capital expenditure threshold

^{**}MHCC does yearly data/utilization *survey* of HHAs, checks reports against Commissionauthorized jurisdictions, and investigates any allegations that entities are operating outside authorized jurisdictions; the Office of Health Care Quality, DHMH, performs initial and periodic *surveys* of HHAs as Medicare's contractor, and also investigates complaints. These are separate, though related, surveys.



Major Issue Area: CON Coverage

Actions requiring CON for existing or proposed new facility/service	Reaction to public comment and discussion	Consensus among Task Force members?	Further information or analysis needed?	Recommendation to Commission for action in September 2005
Hospice programs	•			
Home health agencies	•			
Closure of (non- hospital) health care facilities or services	•			
Capital expenditure for clinical IT that is "directly related to patient care"	•			
Specialized (acute care) services	•			



Major Issue Area: CON Coverage

Actions requiring CON for existing or proposed new facility/service	Reaction to public comment and discussion	Consensus among Task Force members?	Further information or analysis needed?	Recommendation to Commission for action in September 2005
Relocation of existing beds or ORs within hospital's primary service area	•			
Require Certificate of Need to expand hospital ED, other services (cath labs)	•			
Remove Certificate of Need review for bed increases at existing hospitals, nursing homes	•			
Obstetrics service	•			